



**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
BRADLEY HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 AND 3  
HELD APRIL 13, 2021  
AT 9:00 AM**

Pursuant to posted notice, the special meetings of the Board of Directors of the Bradley Heights Metropolitan District Nos. 1, 2 and 3 were held on Tuesday, April 13, 2021 at 9:00 a.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and at the tele/videoconference platform of GoToMeeting link: <https://global.gotomeeting.com/join/547622885>.

Attendance

In attendance were Directors:

Randle Case II, President  
Bryan Long, Vice President  
Lindsay Case, Treasurer/Secretary  
Robert Case, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron (by phone)  
Kevin Walker, WSDM  
Eric Smith, Interim District Engineer (by phone)  
Kyle Thomas, D.A. Davidson (by phone)  
David Neville, Kenley Family Partnerships (by phone)  
Ross Jagers, Redemption Hill Church (by phone)  
Jim Byers, Challenger Homes (by phone)  
Ray O'Sullivan, Bradley Ridge (by phone)  
Jane Fredman, Redemption Hill Church (by phone)

Combined Meeting:

The Boards of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

1. Call to order – The meeting was called to order by President Case II at 9:04 a.m.
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters - President Case II indicated that a quorum of the Boards was present and stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualification. Mr. Allen advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Walker reported that disclosures for those directors with potential or existing conflicts of interest were filed with the

Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Allen inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

3. Approval of Agenda: Director Lindsay Case moved to approve the Agenda as presented; seconded by Director Robert Case. Motion passed unanimously.
4. Approval of the March 9, 2021 Meeting Minutes: After review, Director Robert Case moved to approve the March 9, 2021 Meeting Minutes as presented; seconded by Director Long. Motion passed unanimously.
5. District Manager Report: Mr. Walker presented the District Manager Report. Mr. Walker reported the banking relationships have been reestablished at Eastern Colorado Bank, and the Audit Exemption was filed. Mr. Walker noted he has been working on the bond documents and disclosures, as well as working with City Council for approvals that will be discussed later in the meeting.
6. President of the Board Report: President Case II reported the market is very active and there has been a lot of activity in the area with land use applications being submitted.
7. Development Status Review
  - a. Redemption Hill Church: Mr. Jagers updated the Board on their development plan approval process and reported they received the first comments back from the City. They have resubmitted and are waiting to hear back from the City. Mr. Jagers discussed their storm water concept and noted they reached resolution with the City. Mr. Jagers discussed the Redemption Hill Church Site Plan and noted small changes to the parking lot area. The Board discussed holding a meeting to discuss and coordinate the road and improvements that will be developed.
  - b. Challenger Homes (50 Acre-180 Lot): Mr. Byers reported their development plan was submitted on April 2<sup>nd</sup>. He noted by the second review, there should be more coordinated discussion with the City on the Bliss Road and Church site. Mr. Byers asked if the District is going to take on the cost to build Bliss Road prior to bonding, or does it just need to be constructed prior to the bonds. Mr. Walker explained they would like to have the District construct these facilities to the extent it can with the bonds project funds that are expected to be available this summer. If the District cannot, then it would coordinate a reimbursement agreement. Director Lindsay Case noted that construction of Bradley Road is the number one priority when funds are available and requested discussion on the priority list. Mr. Smith discussed the prioritization of improvements and cost estimate for internal roadways to include Bradley Landing, Bliss, and a couple collectors that run north/south through Mr. O'Sullivan's property and one that runs east/west. Cost estimates have been provided to the Budget Committee of City Council and all of the main roadways are to include utilities, water/sewer, and storm, not electric or gas. Mr. Smith confirmed that all of the roadways are budgeted and included within the bonding request. Mr. Smith discussed the first priority is the main roadway that runs through the site from Bradley to Marksheffel with the next priority being Bliss Road and then the other collectors that run south from the main roadway and west. The third item would be the creek improvements with cost estimates still being worked out. He noted another item would be the intersection improvements along Bradley and Marksheffel as they are built. Mr. Byers confirmed that works. Mr. Byers discussed the traffic study and noted LSC amended the one that was

done years ago. Mr. Byers reported they are scheduled to begin moving dirt this Fall and their approach will be to process all of the soil and complete excavation in one project. He anticipates being able to focus on land development in the Spring 2022, so coordination will be needed to discuss sanitary, water, etc. The Board scheduled a work session with technical engineers and owners on either Tuesday, April 20<sup>th</sup> or Wednesday, April 21<sup>st</sup> at 10:00 a.m., at Mr. O’Sullivan’s office to discuss coordination. Mrs. Fredman with Redemption Hill Church joined the meeting.

- c. Bradley Ridge (773 Lots): Mr. O’Sullivan reported they are moving forward with their plans and hope to make a formal submittal to the City in the next 60 days.
- d. Traffic Engineering Study: Mr. Smith discussed a proposal for traffic impact study on the overall development including cross sections and intersection improvements. He noted it could be done by Matrix or LSC, but he recommends proceeding forward soon since it will be discussed by the City during development plan review. Mr. Byers confirmed they submitted a drainage report to the City and their intent is to do on-site water quality, and he does not think the City will require channel improvements.

## 8. Bond Matters

- a. Bond issuance – General review - DA Davidson: Mr. Thomas presented a summary of the proposed bond issuance. The total principal amount is approximately \$32.27 Million with \$27.8 Million in senior debt and \$5 Million in subordinate debt. The projected net public improvement construction cost project fund is estimated to be \$25 Million. Mr. Thomas noted that the structure includes a debt service reserve fund, capitalized interest fund, and transaction costs. The Board noted that development of a use of project fund proceeds priority list will be discussed at the work session next week.
- b. Updated bond process schedule: Mr. Thomas reported that the market study is underway, and a draft should be done soon by MetroStudy that will include the commercial piece. Mr. Walker indicated that responses to the District Disclosure Questionnaire and Developer Questionnaire are in process. Once the questionnaires are done, disclosure counsel will draft the Offering document.
- c. Meeting with City of Colorado Springs Informal Workshop 4-12-21: Mr. Thomas reported that the proposed bond issuance was presented to City Council work session yesterday and it went very well, they had very few questions and it was moved forward to City Council.
- d. District 3 pledge revenues to bond issue: Mr. Thomas explained the City requested change to see the participation of the commercial District No. 3. A form pledge agreement was provided that shows District No. 3 would pledge its debt service revenue to District No. 2 to help support repayment of the bonds.
- e. Update on Bond Capital Infrastructure: There was no additional discussion.
- f. Municipal Advisor Proposals: Mr. Walker requested the Board table this item until the proposals can be reviewed.
- g. Boundary Changes: Mr. Walker noted that boundary changes are no longer contemplated at this time.

## 9. Financial Matters

- a. Update on turnover: There was no additional discussion.

- 10. Marksheffel Woodmen Investments, LLC – Advances: Mr. Allen explained he would work on the form for the Infrastructure Acquisition and Reimbursement Agreement for public improvement cost reimbursements to the developers, and that each developer entity will need to enter into such an agreement with the District and that the use of project fund priority list will need to be developed and the resulting reimbursement priority among the different developer entities will

need to be incorporated into the reimbursement agreements. The Board gave direction to Mr. Walker to start working on a summary presentation of the priority use of bond proceeds.

11. Other Business

- a. Director Vacancy/Publication of Vacancy Notice: Mr. Walker reported there are two people interested in the vacant Board position, Mr. O’Sullivan and Mr. Byers..
- b. Next Regular Meeting Date: The Board agreed to meet on May 11, 2021 at 9:00 a.m.

12. Adjourn: The Board adjourned the meeting at 10:19 a.m.

Respectfully Submitted,

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By: Kristina Kulick for the Recording Secretary